<table>
<thead>
<tr>
<th>Agenda Item</th>
<th>Presenter</th>
</tr>
</thead>
<tbody>
<tr>
<td>HY2021 Financial Key Points</td>
<td>Anand Rambhai (CFO)</td>
</tr>
<tr>
<td>HY2021 Key Achievements</td>
<td>Brent Robinson (CEO, Managing Director)</td>
</tr>
<tr>
<td>Market Update</td>
<td>Brent Robinson</td>
</tr>
<tr>
<td>Q&amp;A Session</td>
<td></td>
</tr>
<tr>
<td>Closing Comments and Outlook</td>
<td>Brent Robinson</td>
</tr>
</tbody>
</table>
HY2021 Key Points

Revenue of $59.5m vs. $56.9m in HY2020

- Q1 down due to COVID-19, Q2 up strongly driven by Telecommunications
- Global Positioning and Space & Defence both lower, down $3.7m and $0.8m respectively

Net profit after tax of $4.6m vs. $1.3m in HY2020

Underlying EBITDA\(^1\) of $11.4m vs. $6.9m in HY2020

Notes:
All figures are presented in New Zealand dollars unless otherwise indicated
\(^1\) Refer to note 4 of the HY2021 unaudited consolidated financial statements for an explanation of how ‘Non-GAAP Financial Information’ is used, including a definition of ‘Underlying EBITDA’ and reconciliation to net profit after tax
HY2021 Key Points

Contributing factors to the movement in net profit

- Gross Margin (GM) from higher revenue
- Improved Timemaker earnings from demand for consumer electronics
- Centum (Ex Indian partner) administration fee ceased Nov 2019
- Higher tax on higher earnings
- Review of debtors provision
- Global resource realignment
- COVID-19 related impacts
  - Travel
  - Temporary cost reductions (staff remuneration, directors fees, rent)
  - Relief from governments (NZ, France, UK)

Half-year on half-year $3.3m movement in net profit explained

<table>
<thead>
<tr>
<th>Item</th>
<th>HY20 NPAT</th>
<th>GM</th>
<th>Timemaker</th>
<th>Centum fee saving</th>
<th>Other costs</th>
<th>Tax expense</th>
<th>Debtor provision</th>
<th>One-off staff costs</th>
<th>Travel</th>
<th>Temp cost savings</th>
<th>Covid-19 relief</th>
<th>HY21 NPAT</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$1.3</td>
<td>$0.8</td>
<td>$0.2</td>
<td>$0.5</td>
<td>-$0.1</td>
<td>-$0.9</td>
<td>-$0.2</td>
<td>$0.6</td>
<td>$0.9</td>
<td>$2.3</td>
<td>$4.6</td>
<td></td>
</tr>
</tbody>
</table>

NZ$m
## HY2021 Key Points

<table>
<thead>
<tr>
<th>Performance for the six months to September</th>
<th>HY2021</th>
<th>HY2020</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>59.5</td>
<td>56.9</td>
<td>+2.6</td>
</tr>
<tr>
<td>Gross profit</td>
<td>27.1</td>
<td>26.3</td>
<td>+0.8</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>24.5</td>
<td>25.1</td>
<td>-0.6</td>
</tr>
<tr>
<td>Underlying EBITDA¹</td>
<td>11.4</td>
<td>6.9</td>
<td>+4.5</td>
</tr>
<tr>
<td>Depreciation &amp; amortisation</td>
<td>4.3</td>
<td>4.3</td>
<td>+0.0</td>
</tr>
<tr>
<td>Net profit after tax</td>
<td>4.6</td>
<td>1.3</td>
<td>+3.3</td>
</tr>
<tr>
<td>Earnings (cent per share)</td>
<td>2.0</td>
<td>0.6</td>
<td>+1.4</td>
</tr>
<tr>
<td>Operating cash flow</td>
<td>7.9</td>
<td>3.4</td>
<td>+4.5</td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>1.9</td>
<td>3.0</td>
<td>-1.1</td>
</tr>
</tbody>
</table>

### Capital expenditure
- Prior year capacity expansion in India
- Discretionary spend curtailed in HY2021

### Inventory growth
- Buffer to cover global supply chain uncertainty
- Higher demand for longer lead-time products

### Operating cash flow & net debt
- Historic R&D tax credit received
- Higher HY2021 earnings

### Notes
1. Refer to Note 4 of the HY2021 unaudited consolidated financial statements for an explanation of how 'Non-GAAP Financial Information' is used, including a definition of ‘Underlying EBITDA’ and reconciliation to net profit after tax.
HY2021 Key Achievements
HY2021 Key Achievements

Telecommunications segment growth
- 5G products delivered out of NZ provided strong revenue growth
- Rakon awarded the major share of 5G Remote Radio Head (RRH) business
- Major Tier-1 cloud computing customer secured

XMEMS™
- Design wins with strategic customers and their applications
- Trademarked in key regions

Expanded TCXO and OCXO capacity in both NZ and India for 5G growth

COVID-19
- Initially severely impacted and strong actions taken to mitigate
- All operations recovered well and continue to operate normally even in the significantly affected regions of France and India
Market Update
Update
- Despite COVID-19 disruptions, USD revenue was up 18% on the same period last year
- COVID-19 created a bubble of demand, particularly in the second quarter with customers trying to secure safety stock
- Very strong 5G demand from Asia

Outlook
- Geopolitical pressure on China has disrupted supply and slowed down 5G deployments in this market
- The same issue is expected to push out 5G rollouts globally
- COVID-19 is still creating uncertainty leading customers to have cautious outlooks
- Rakon’s products are still well-positioned for new 5G equipment and data centres; Rakon has capacity to deliver, as deployments gather momentum
Global Positioning

Update

- Overall Global Positioning revenue was down 38%
  - Predominantly due to Rakon continuing to focus on high-end positioning and less on the higher volume, lower margin, commoditised GNSS\(^1\) business
  - Aviation market was down due to COVID-19
  - Emergency beacon market was also down as a result of supply chain issues related to COVID-19

Outlook

- Forecast is for recovery in the second half year as the industrial / precision demand returns to normal levels, however some uncertainty still remains

\(^1\) Global Navigation Satellite System
**Update**

- Combined revenue for Space and Defence was down 7% vs. HY2020
  - Space revenue was down mainly due to the phasing of orders and deliveries
  - Solid demand continues in the Defence market with revenue up vs. HY2020, with good growth in Europe

**Outlook**

- In line with previous years, deliveries are higher in the second half compared to the first half and should result in a similar full year result to FY2020
- New business has been secured within the NewSpace segment from a LEO\(^1\) satellite network in Asia and revenue is expected to start flowing through in the last quarter

\(^1\) Low Earth Orbit
Closing Comments and Outlook
Closing Comments and Outlook

HY2021

- Strong first half despite difficult start
  - Low Q1 and very strong Q2
- Softer demand in Telecommunications expected in second half
  - COVID-19 creating global uncertainty and cautious investment in infrastructure
  - Geopolitical instabilities disrupting global supply chains
- Year-on-year steady revenue growth still expected for full year

Closing Comments

- While COVID-19 worsens in France and India, production continues at normal levels
  - EBITDA guidance of $16–18m still valid
- XMEMS™ superior technology proven with lead customers and plans to scale up now commencing
- High precision time and synchronisation becoming a more critical element for global technological development and growth
  - Rakon's industry leading product portfolio enables these requirements